IT IS ORDERED as set forth below:

Date: July 23, 2019

Lisa Ritchey Craig
U.S. Bankruptcy Court Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN THE MATTER OF:	:	**CASE NUMBER**
	:	
MARVELAY, LLC,	:	18-69019-LRC
	:	
	:	IN PROCEEDINGS UNDER
	:	CHAPTER 7 OF THE
Debtor.	:	BANKRUPTCY CODE

ORDER

On April 11, 2019, the Court held an evidentiary hearing on the Motion for Authority for Trustee to Consent to Entry of Judgment and Order for Permanent Injunction with Respect to State Court Proceedings under the Georgia Fair Business Practices Act (the "Motion for Authority") (Doc. 46) and the Motion for Approval of Agreement with the State of Georgia Regarding Modification of the Automatic Stay, Allowance of State Claims, Disbursements to Holders of Consumer Claims, and Other Matters Under Federal

Rule Of Bankruptcy Procedure 4001(D)(1)(A)(III) and 11 U.S.C. § 105 (the "Motion for Approval," and collectively with the Motion for Authority, the "Motions") (Doc. 53), filed by Martha Miller, Chapter 7 Trustee ("Trustee").

Trustee seeks to settle a dispute with the State of Georgia (the "State") regarding certain prepetition actions taken by Marvelay, LLC ("Debtor"), which the State contends violated the Georgia Fair Business Practices Act (the "GFBPA"). An objection to the Motions was raised by Asta Quattrocchi ("Quattrocchi") and supported by Debtor. The Court has subject matter jurisdiction over this core proceeding. *See* 28 U.S.C. § 1334(b); § 157(a); § 157(b)(2)(A).

FACTUAL BACKGROUND AND PROCEDURAL HISTORY

On November 9, 2018 (the "Petition Date"), Debtor filed a voluntary petition under Chapter 7 of the Bankruptcy Code (the "Petition"). Shortly thereafter, the State filed a Motion for Clarification of the Applicability of the Automatic Stay or, in the Alternative, for Relief from the Automatic Stay (the "State's Motion for Relief"). (Doc. 7).

According to the State's Motion for Relief, Debtor's bankruptcy filing interrupted the State's action to enforce the GFBPA against Debtor and other individuals, including Erran Yearty, Quattrocchi, and Thomas Rickey Bray, Jr. (collectively, the "Defendants"), which was filed on July 17, 2018, and was pending in the Superior Court of Cobb County, Georgia (the "Action") on the Petition Date. According to the State's complaint filed in

the Action, the Defendants controlled approximately 4,700 internet domain names through which Debtor offered goods and services to consumers using "false and misleading representations about its identity and the service it actually provides," Debtor mispresented and failed to inform consumers of material terms and conditions of their purchases, and failed to secure reservations for services to be provided by third party vendors and paid for by consumers. The State also alleged that Debtor's agents and employees posted false reviews on the internet to "bolster the false impression that Debtor's nonexistent businesses provide services to consumers at a specific geographical location," and that Debtor's conduct violated O.C.G.A. § 10-1-393(b), which prohibits the causing of actual confusion or actual misunderstanding as to the source, sponsorship, approval, or certification of goods or services; the advertising of goods or services with intent not to sell them as advertised; and representations that goods or services have sponsorships, approval, characteristics, uses, benefits, or quantities that they do not have.[1]

The State's Motion for Relief contended that a discovery dispute remained pending in the Action on the Petition Date. Attached to the State's Motion for Relief was a copy of

[1] *See* O.C.G.A. § 10-1-397(b) ("Whenever it may appear to the Attorney General that any person is using, has used, or is about to use any method, act, or practice declared by this part or by regulations made under Code Section 10-1-394 to be unlawful and that proceedings would be in the public interest, whether or not any person has actually been misled, . . . upon a showing by the Attorney General in any superior court of competent jurisdiction that a person has violated or is about to violate [the GFBPA], the court may enter or grant any or all of the following relief: . . . (B) A civil penalty of up to a maximum of $5,000.00 per violation of [the GFBPA]; . . . (D) Restitution to any person or persons adversely affected by a defendant's actions in violation of this part; . . . or (F) Other relief as the court deems just and equitable." O.C.G.A. § 10-1-397(b).

an order entered on October 11, 2018, by Judge Childs in the Action (the "Action Order"). In the Action Order, Judge Childs sanctioned the Defendants for certain discovery conduct by ordering that Defendants allow and pay for a third-party vendor to conduct a forensic examination and data extraction of all of Defendants' computers and databases no later than November 12, 2018. The State further contended that Debtor failed to comply with the Action Order prior to filing the Petition and had engaged in additional spoliation of evidence relevant to the Action. *See* Exh. T-3.[2] For these reasons, the State requested an order from this Court concluding that the bankruptcy case had not stayed the Action, or,

[2] The parties stipulated to the authenticity of all exhibits. When the Trustee moved for admission of Trustee's Exhibits 1 through 7, 9, 10, and 13, Quattrocchi objected on the basis of hearsay, legal conclusion, cumulativeness, argumentativeness, lack of relevance, and the continuing witness rule. The Court has considered Exhibits T-2 (Amended Complaint), T-3 (Order for Sanctions), T-4 (Order on Contempt), T-5 (Second Order for Sanctions), and T-6 (Order Regarding Default) for the purpose of determining what factual allegations and legal claims the State has made and the status of the litigation. The exhibits are relevant for these purposes and are not cumulative, as the Trustee testified only that she considered the documents not as to their contents. Further, the documents are not hearsay. Exhibits T-3, T-4, and T-5 are orders that establish the status of litigation, *United States v. Dupree*, 706 F.3d 131, 137 (2d Cir. 2013) ("[T]he question whether a court's command imposes legal obligations on a party is outside the hearsay rule's concerns."), and the Court has considered the Complaint to determine which facts would be deemed admitted if the Trustee failed to settle, rather than for the truth of its allegations. As to the continuing witness rule, it is applied by Georgia trial courts to prevent otherwise admissible written evidence from being sent to the jury room out of concern that doing so will result in "undue emphasis" being "placed on written testimony." *Clark v. State*, 284 Ga. 354, 355, 667 S.E.2d 37, 39 (2008). The Court has found nothing in its research to suggest that this rule applies under the Federal Rules of Evidence. "A federal district court applies the Federal Rules of Evidence because these rules are considered procedural, regardless of the source of the law that governs the substantive decision." *MCC-Marble Ceramic Ctr., Inc., v. Ceramica Nuova d'Agostino, S.p.A.*, 144 F.3d 1384, 1389 n.13 (11th Cir. 1998) (citing *Farnsworth on Contracts* § 7.2 at 196 & n.16 (citing cases)). Further, the continuing witness rule applies only to writings "when the evidentiary value of the writings depends on the credibility of the writer." *Sagenich v. State*, 255 Ga. App. 663, 556 S.E.2d 327 (2002); *see also* Ga. Handbook Criminal Evidence § 6:28 (noting that the rule generally applies to "answers to written interrogatories, written dying declarations and signed statements of guilt"). As noted above, the purpose for which the Court has considered the exhibits does not depend on the credibility of their writer. Rather, the Court is concerned with the legal effect of statements that were made in orders and pleadings in the Action, and the exhibits are, therefore, "independent and original evidence, in and of itself" of these statements. *Sagenich*, 255 Ga. App. at 665.

alternatively, modifying the automatic stay to permit the Action to continue.

On December 14, 2018, the Court entered an order granting the State's Motion for Relief (Doc. 31), ordering that, pursuant to § 362(b)(4), the Petition did not stay the Action and, therefore, the State may continue with the Action "for all purposes that are necessary to complete discovery, pursue pre-trial motions, and otherwise bring the matter before the Superior Court or a jury for the purposes of obtaining injunction relief and an award of civil penalties and consumer restitution" and that the State "may enforce all judgments entered in the [Action], other than orders that require payment by the Debtor."

On December 17, 2018, the State Court granted the State's second motion for sanctions and struck the answer filed by Debtor in the Action and ordered that "upon entry of default, Plaintiff may file a motion for default judgment against [Debtor] . . . . seeking entry of an Order granting penalties, restitution, attorney's fees and costs, and other equitable relief as authorized under O.C.G.A. § 10-1-397." *See* Exh. T-5. On January 10, 2019, the State Court recognized Debtor's default and scheduled a trial on damages for February 11, 2019. *See* Exh. T-6.

On February 8, 2019, the Trustee filed the Motion for Authority, which sought "an Order granting the Trustee authority to consent to entry of [a] proposed Injunction Order and Consent Order on behalf of the Debtor and the Bankruptcy Estate" in the Action that would resolve the State's claim against Debtor and assist the Trustee in the administration

of the case.

The Trustee and the State proposed an Injunction Order that would have been entered by the State Court against all of the Defendants. The Injunction Order would have made numerous findings of fact and conclusions of law regarding the Defendants' business activities in support of the relief granted in the Injunction Order—a permanent injunction against Defendants' engaging in certain conduct while advertising, marketing, promoting, and selling goods and services. The Injunction Order would have specifically stated that the Injunction Order "shall not have any preclusive effect on any rights of the Bankruptcy Estate to pursue any and all claims, including but not limited to, any fraudulent conveyance claims and alter ego claims against any third parties, including the other Defendants in this action" and that the "findings of facts and conclusions of law contained herein shall not be binding on the Debtor or Trustee in any other action and is not intended to prejudice or estop any claim that the Trustee, Debtor or the Bankruptcy Estate may pursue against any third party including the other Defendants."

The Trustee also sought authority to enter a Consent Order, which would have been entered by the State Court and would have provided for the entry of a judgment against Debtor for: (1) civil penalties in the total amount of $11,405,000; (2) restitution of $14,232,210; and (3) $362,790.00 for attorney fees and costs incurred for bringing the Complaint. The Consent Order would have provided for no relief against the Defendants

other than Debtor.

On March 7, 2019, the Trustee filed the Motion for Approval, in which the Trustee sought approval of an agreement between the Trustee and the State with regard to the automatic stay. The Motion for Approval anticipated the execution of an agreement between the Trustee and the State (the "Agreement"), under which "the automatic stay . . . shall be modified to permit the [State] (i) to collect payment and enforce [a State Court judgment] against any third parties, including the non-debtor Defendants in the [Action], and (ii) to take any collection actions with respect to [a State Court judgment] against such parties"; "the automatic stay will not stay any action by the [State] to enforce and collect any judgments obtained by the [State] against the non-debtor Defendants regardless of whether collection involves the Bankruptcy Estate or property thereof"; and the Trustee would agree to allow the State a general unsecured claim" in the same amount provided for in the Consent Order, as opposed to the amount stated in the proof of claim filed previously by the State—$22,178,685,199.60. At the hearing, counsel for the Trustee explained that the stay relief provisions in the Agreement were intended to avoid issues as to whether the State, while pursuing its claims against non-debtor parties, might violate the automatic stay by pursuing alter ego claims and fraudulent transfer claims that belong to Debtor's bankruptcy estate.

The Agreement also provided that: (1) funds collected by the State from enforcing a

judgment against Debtor and the non-debtor Defendants to the extent such collection involved Debtor's estate or property thereof, would constitute property of the bankruptcy estate and would be administered by the Trustee and used to pay allowed claims filed in this case; and (2) any distribution to which the State would be entitled from Debtor's bankruptcy estate would be used to create a consumer fund from which the Trustee would distribute funds to holders of allowed general unsecured consumer claims.

On March 29, 2019, Quattrocchi filed his opposition to the Motions (Doc. No. 61) (the "Objection"). In the Objection, Quattrocchi argued that the Court should not grant the Motions because: (1) the Injunction Order serves no purpose because this is a Chapter 7 case, in which Debtor is no longer operating and there is no risk that the Trustee will perform any of the acts to be enjoined; (2) the Motions "are plainly intended as a *sub rosa* attempt to prejudice the rights of non-Debtor parties in the [Action] and to manipulate this Court into implied 'approval' of the findings and conclusions in the Injunction Order; and (3) the Agreement would "delegate the Trustee's rights and duties to pursue any alter ego theory or fraudulent conveyance claims that the estate may have to the State."

Prior to the hearing on the Motions, the Trustee filed a supplemental hearing brief (Doc. No. 65), in which the Trustee amended the Motion for Authority to no longer seek authority for the Trustee to consent to the entry of the Injunction Order and to seek authority for the Trustee to consent to entry of a revised consent order (the "Revised

Consent Order") instead of the Consent Order. The Trustee also amended the Motion for Approval to seek approval of a revised agreement with the State (the "Revised Agreement").

As amended, the Motions now seek permission for the Trustee to enter into the Revised Consent Order, which makes findings of fact and conclusions of law only with regard to Debtor and "specifically provides that the findings and conclusions therein shall not be binding on the other defendants in the State Court Action." The Motions, as amended, also seek approval of the Revised Agreement, which eliminates the provisions under which the automatic stay would have been lifted to "permit the State of Georgia to pursue claims against third parties." The Revised Agreement continues to allow the Trustee to redistribute funds that would be payable to the State to those injured consumers who have filed claims in this case and makes clear that the portion of the State's claim attributable to civil penalties ($11,405,000) will be subordinated and paid at the priority level prescribed by § 726(a)(4).

The Trustee asserts that the amendments made to the Motions have resolved all of Quattrocchi's objections. At the hearing, Quattrochhi continued to press his objections, insisting that the Trustee did not conduct a sufficient investigation into the State's claims and that the entry of the Revised Consent Order and the Revised Agreement would serve no purpose and would be unfairly prejudicial to the nondebtor Defendants.

During the hearing, the Trustee testified that, within two days of the filing of Debtor's case, she began her investigation by visiting Debtor's facility, which was primarily a large call center, and meeting with Debtor's principals. At the facility, the Trustee found no computer server. The general state of the premises was that it appeared to have been "cleaned out," with empty file cabinets and empty desk drawers. The only financial records available to the Trustee turned out to be vendor requests for payment. The Trustee and her accountant interviewed the two principals regarding Debtor's business and how the Debtor ended up in bankruptcy. In the premises, the Trustee found about forty computers and some copiers and attempted to retrieve data from these items.

The Trustee reviewed the pleadings filed in the Action, including the complaint and amended complaint, the State Court's order granting the State's motion for sanctions (Exh. T-3), the State Court's order on contempt (Exh. T-4), the State Court's order granting the State's second motion for sanctions (Exh. T-5), and the State's memorandum in support of default judgment (Exh. T-13). The Trustee testified as to her understanding of the relief sought by the State against the Debtor and the nondebtor Defendants as a challenge under the GFBPA to Debtor's practice of using a national internet marketing system that misrepresented facts to make it appear as if Debtor was the provider of purchased services, its failure to disclose that a third party provided the services and Debtor's accurate location and contact information, and its use of false endorsements. The Trustee further testified

that, when the State contacted her about the filing of the State's Motion for Relief, she understood that the State was seeking the entry of an injunction, civil penalties, restitution, attorney's fees, and costs. In deciding how to proceed with the administration of the case, she considered the fact that Debtor's answer had been stricken and Debtor's main trial counsel had withdrawn from the case, leaving Debtor unrepresented in the Action. Such facts gave the Trustee concern regarding the liability that could accrue to Debtor's bankruptcy estate. The Trustee believed that she had no way to defend the claims and she based her belief upon her understanding that Debtor was in default, due to its answer having been stricken, that the State had moved for entry of default judgment, and, even if Debtor were not in default, the documents necessary to such a defense had been destroyed through spoliation. In negotiating the settlement with the State, the Trustee's goal was to limit the estate's exposure to liability.

The Trustee further considered the difference between the resources available to the Trustee and those available to the State for litigating the claims. She also met with the investigators working on the case for the State and reviewed the State's documents in support of its claims of $22 billion and considered the statutory basis upon which the State rested its claims. In arriving at a suitable figure for the settlement of the State's claim, the Trustee considered Trustee's Exhibit 13, which is a summary prepared by the State of the number alleged violations of the GFBPA by Debtor, multiplied by the statutory amount of

$5,000 per violation, and looked at the number of customers—60,000[3]—who had been affected by Debtor's conduct and the number of days that Debtor had operated its business using the allegedly violative practices. Based on her investigation, the Trustee concluded that the potential for liability was far greater than the amount of the settlement arrived at with the State. In further determining whether to agree to the amount of the State's claim, the Trustee reviewed Trustee's Exhibits 11 and 12, which are an itemized list of time spent by professionals working for the State.

When deciding whether to enter the settlement, the Trustee was not aware of any other settlements that the State had offered to or entered with any of the nondebtor Defendants. She testified that, if the State had been willing to settle with other defendants on better terms, such information would have been a factor in making her decision. Nonetheless, the Trustee testified that learning of a potential settlement between the State and Defendant Thomas Ricky Bray, Jr. for a lesser amount with better terms would not have prevented her from entering the settlement with the State because, to her knowledge, Defendant Bray played a lesser role in Debtor's business and had limited financial resources.

Finally, when questioned as to the mechanics of the settlement and the distribution, the Trustee agreed that it may be necessary to extend the claims bar date to allow additional

[3] This number was provided to the Trustee by Debtor's principals.

injured consumers to file proofs of claim and that the possibility existed that consumer claims could be paid twice.

CONCLUSIONS OF LAW

When deciding whether to approve a settlement, the bankruptcy court must consider:

> (a) The probability of success in the litigation; (b) the difficulties, if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.

Wallis v. Justice Oaks II, Ltd. (In re Justice Oaks II, Ltd.), 898 F.2d 1544, 1549 (11th Cir. 1990) (quoting *Martin v. Kane (In re A & C Prop.)*, 784 F.2d 1377, 1381 (9th Cir. 1986)). "Courts consider these factors to determine 'the fairness, reasonableness and adequacy of a proposed settlement agreement.'" *Chira v. Saal (In re Chira)*, 567 F.3d 1307, 1312–13 (11th Cir. 2009) (quoting *Martin v. Kane (In re A & C Prop.)*, 784 F.2d 1377, 1381 (9th Cir. 1986)). The Supreme Court has explained that:

> [t]here can be no informed and independent judgment as to whether a proposed compromise is fair and equitable until the bankruptcy judge has apprised himself of all facts necessary for an intelligent and objective opinion of the probabilities of ultimate success should the claim be litigated. Further, the judge should form an educated estimate of the complexity, expense, and likely duration of such litigation, the possible difficulties of collecting on any judgment which might be obtained, and all other factors

> relevant to a full and fair assessment of the wisdom of the proposed compromise.

Protective Comm. for Indep. Stockholders of TMT Trailer Ferry v. Anderson, 390 U.S. 414, 424 (1968); *see also In re Vazquez*, 325 B.R. 30, 36 (Bankr. S.D. Fla. 2005) ("The court is neither to 'rubber stamp' the trustee's proposals nor to substitute its judgment for the trustee's, but rather to canvass the issues and determine whether the settlement falls below the lowest point in the range of reasonableness." (internal quotation marks and citation omitted)). That being said, the Court is "not required to hold a mini-trial on the issues involved in the case being compromised," but rather is obligated to canvass "the issues and see whether the settlement falls below the lowest point in the range of reasonableness." *In re Dennett*, 449 B.R. 139, 144–45 (Bankr. D. Utah 2011). "[S]ettlements are favored in bankruptcy," and "[a]ppellate courts have held that a bankruptcy court's approval of a compromise must be affirmed unless the court's determination is either (1) completely devoid of minimum evidentiary support displaying some hue of credibility, or (2) bears no rational relationship to the supportive evidentiary data." *Id*. at 144 (Bankr. D. Utah 2011).

Quattrochhi asserts that the Trustee has not demonstrated that the proposed settlement is in the best interest of the Estate. First, Quattrochhi submits that the settlement serves no purpose other than to give the State Court the false perception that

this Court has independently determined the truth of the factual findings contained in the Revised Consent Order for purposes of obtaining some advantage against the nondebtor Defendants. Second, Quattrochhi takes issue with the fact that the settlement does not fully resolve the issues between Debtor and the State, as it would preserve the State's ability to seek an injunction against Debtor and to seek other relief that has not been granted previously. In essence, Quattrochhi questions why the entry of the Revised Consent Order or any further resolution of the State Court Action as it pertains to Debtor is even necessary, given the fact that the Trustee is agreeing to the amount of the allowed claim.

As to the probability of success in the litigation and the complexity, expense, inconvenience, and delay of the litigation factors, the Court has reviewed the Amended Complaint and concludes that, if the Trustee did not agree to entry of the consent judgment, the Action would likely be resolved by the State Court in the State's favor as to liability because Debtor is in default, the factual allegations in the Amended Complaint are deemed admitted, and such allegations appear to state a claim against Debtor for liability under the GFBPA. The Trustee would then have to decide whether to incur additional expenses in defending the trial on damages or take the risk that, based on the amount the State is asking the State Court to award, the damages awarded could greatly exceed the settlement amount. Having considered the allegations of the Amended

Complaint, the number of customers Debtor has transacted business with, and the maximum statutory penalty allowable under O.C.G.A. § 10-1-397(b), the Court concludes that the probability of the Estate's limiting its exposure to damages in an amount below the settlement amount is quite low. Therefore, the low probability of success and the additional expense to be incurred in the process of defending the suit favors approval of the settlement.[4]

Finally, as to the paramount interest of the creditors and a proper deference to their reasonable views, the Court concludes that this factor also favors approval of the settlement. Other than the State, no creditors with filed proofs of claim have weighed in on whether the settlement should be approved. The State, however, obviously supports the settlement and acts for the benefit of several of the creditors who have filed claims. The settlement would likely reduce the amount of the claim to be paid to the State, which would inure to the benefit of the nonconsumer creditors.

As to whether the settlement is overall fair and equitable and was negotiated at arm's length and in good faith, the State and the Trustee take the position that the Trustee's agreement to the findings of fact and conclusions of law is necessary to permit the entry of a judgment, while Quattrochi insists that the State Court would enter a consent judgment without findings of fact. Further, where the Trustee has agreed to an

[4] As the Estate is the defendant in the Action, the difficulties of collection factor does not apply to this case.

allowed claim in the bankruptcy case, Quattrochi argues that the State does not even need a judgment. According to Quattrochi, the State's insistence on the entry of a judgment with findings of fact supports the conclusion that the State is acting out of an improper motive and is merely trying to obtain a litigation advantage over the nondebtor Defendants. Quattrochi urges the Court to withhold its approval of the settlement because such is not an equitable and proper use of the bankruptcy system.

The Court believes that the State's desire to have a judgment entered against Debtor is reasonable under the circumstances. Even though the Trustee has agreed to the allowance of a claim in a certain amount, the State may be concerned that another party in interest may object to the claim and assert that the Trustee's agreement to allow the claim does not preclude a party in interest from objecting. The state of the law is unsettled with regard to whether a creditor has standing to object to another creditor's claim when the Trustee agrees to allow a claim. *See* 11 U.S.C. § 502(a); *In re C.P. Hall Co.*, 513 B.R. 540, 544 (Bankr. N.D. Ill. 2014) ("The court's obligation to rule on a claim objection is mandatory, and the creditor's right to a ruling is also unqualified. Nothing in the Code subordinates that right to the trustee's duty to administer the estate, let alone his agreement with a creditor that the creditor's claim will be allowed."); *In re Mechanicsburg Fitness, Inc.*, 592 B.R. 798, 808 (Bankr. M.D. Pa. 2018) ("The most natural reading of section 502(a), then, is that it confers an unfettered right upon chapter

7 creditors to object to the claims or interest of others."). It is not unreasonable or clear proof of an ulterior motive for the State to request the entry of a judgment, as opposed to having a claim "liquidated" only by the Trustee's agreement not to object to its proof of claim.

Further, the Court rejects the argument that the State Court will be misled by this Court's granting authority to the Trustee to enter the Revised Consent Order. The record of this case is clear that the Trustee has agreed to the findings of fact in order to permit the State Court to apply the applicable law to these matters and to enter a judgment to liquidate the State's claim against Debtor only. The Court has faith that the State Court will properly and fairly evaluate each case before it, notwithstanding the fact that this Court has deferred to the Trustee's business judgment that continuing to fight the entry of a judgment against a debtor whose answer has been stricken for discovery violations and is defunct without business or resources is a sensible approach.

For all of the above reasons, the Court is persuaded, and finds and concludes, that in proposing the compromise, the Trustee has acted in good faith, under an honest belief that the settlement is in the best interest of the estate, and that she has adequately informed herself of the material facts and the applicable law, consistent with the business judgment rule. The Trustee clearly considered the nature of the State's claims, the Estate's likely defenses, litigation costs, and the practical obstacles to defending the State's claims and

reasonably concluded that further defense of the Action would have an overall negative effect on creditors of the Estate. Moreover, the record presented at the hearing, while not without its weaknesses, is sufficient for this Court to perform its independent duty to analyze the proposed settlement. "The big picture here convinces the Court that this settlement should be approved because it does not fall below the 'lowest point of reasonableness.'" *U.S. ex rel. Rahman v. Oncology Assocs., P.C.*, 269 B.R. 139, 153 (D. Md. 2001), *aff'd sub nom. U.S. ex rel. Rahman v. Colkitt*, 61 F. App'x 860 (4th Cir. 2003) (quoting *In re W.T. Grant Co.*, 699 F.2d 599, 608 (2d Cir. 1983)). Accordingly, the objections raised by Quattrochi and joined by Debtor will be overruled, and

IT IS HEREBY ORDERED that the Motion is **GRANTED**.

END OF DOCUMENT

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High Sky Adventures
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Penrose, CO 81240-9513

High Tide Helicopters
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Hot Air Expeditions
Deer Valley Airport 704 west D
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End of Label Matrix
Mailable recipients 160
Bypassed recipients 5
Total 165